

Fiscal Services Division

Legislative Services Agency

Fiscal Note

SF 2251 – Children's Eye Exams (LSB 5776 SV)

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Fiscal Note Version – New

Description

Senate File 2251 requires the parent or guardian of a child enrolling in Kindergarten to provide a certificate indicating that the child has undergone an eye examination by a licensed ophthalmologist or optometrist. The Bill specifies the minimum components of the eye examination and of the report to the parent or guardian. The Bill does not establish a penalty for not complying with the requirement. An annual report by the Department of Public Health is required.

Assumptions

- An estimated 37,530 children will enroll in Kindergarten each year in FY 2009 and FY 2010. Of these:
 1. 20.7% (7,768) of the children are uninsured and would not receive the examination.
 2. 5.7% (2,139) of the children are covered by the Healthy and Well Kids in Iowa (hawk-i) Program. One-half (1,170) would receive the examination and the providers would accept the \$51 average payment. An increase to the third party coverage contracts may occur with the increase in the number of exams to this age group. The State share of the hawk-i Program is 25.0%.
 3. 22.9% (8,594) of the children are covered by the Medicaid Program. One-half (4,298) would receive the examination. One-half (2,149) would receive a new patient intermediate examination and one-half (2,149) would receive a new patient comprehensive examination. The average cost of those two exams is \$82.09 in FY 2009 and \$84.55 in FY 2010 and the provider would accept those payments. The FY 2009 Medicaid State share is 37.60% and the FY 2010 Medicaid State share is estimated at 37.15%.
 4. One-half of the remaining children (9,515 of 19,029) would receive an examination covered by a parent or guardian or third party payer. The average cost would be \$80 in FY 2009 and \$90 in FY 2010.
- Medicaid costs would increase \$132,700 for FY 2009 and an additional \$2,300 in FY 2010. The costs to the hawk-i Program would increase \$14,900 for FY 2009 and FY 2010.
- The Department of Public Health would incur staff costs of \$100,700 in FY 2009 and an additional \$4,000 in FY 2010 for technical assistance, monitoring, reporting requirements, screening certificates, and verification requirements. The Department would incur a one-time expense in FY 2009 of \$50,000 to \$75,000 for development of a data base. This could decrease depending upon compatibility with specific information from those providing the examinations

Fiscal Impact

The cost to the State General Fund for FY 2009 ranges between \$298,300 and \$323,300. The cost for FY 2010 is a total of \$254,600. The cost to insured parents or guardians or their third party payers is estimated at \$761,200 for FY 2009 and \$856,400 for FY 2010.

Sources

Department of Public Health
Department of Education
Department of Human Services

/s/ Holly M. Lyons

March 11, 2008

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.
